THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) As per the existing provision of General Financial Rules, 1963, a Head of Office is already empowered to sanction interest free advance of Rs. 2500/- to non-gazetted Government servant whose property, moveable or immovable has been substantially affected or damaged in an area affected by natural calamity. This is admissible to Central Government employees over and above whatever relief to cyclone affected people is announced by the concerned State Government.

Interest Rates on HBA

2056. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to reduce the interest rates charged on House Building Advance in view of overall reduction in landing interest rates by Banks and the Financial Institutions engaged in lending money for the house building purpose;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASHEB VIKHE PATIL): (a) to (c) The rates of interest on House Building Advance were recently revised in 1997 and these rates are already subsidized rates. There is no proposal under consideration of Government to reduce the rates of interest on House Building Advance to Government servants.

Ceiling of Income Tax relief on repayment of HBA

2057. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether in view of the high cost of flats/houses etc. Government propose to enhance the limit of Rs. 10,000/- on repayment of House Building Advance in a financial year for income-Tax purpose;

(b) if so, the details thereof; and